POSITION ON DRAFT PROPOSED 1115 WAIVER

NATIONAL ALLIANCE FOR THE MENTALLY ILL

TRI-CITIES AFFILIATE

June 11, 2002

The Tri-Cities Chapter of the National Alliance for the Mentally III (NAMI – Tri-Cities) opposes the Medicaid & SCHIP reform waiver for the following reasons:

Enrollment Freeze:

 The Waiver authorizes the denial of services for the newly ill for an indefinite period of time. "Optional" is a misleading term. In almost all cases the services that could be denied are crucial.

Cost Sharing:

- The Waiver amounts to a tax on low-income persons that includes most of the mentally ill. A five-percent of income co-pay could mean in many cases a choice between medication and groceries.
- Adding a co-pay could force use of generic drugs that are less effective and which have deleterious side effects.
- Emergency room use is a common practice simply because doctors as a general rule do not accept medical coupons. The poor, forced to use emergency room services, are simply looking for basic health care that is almost non existent elsewhere. Adding a co-pay simply adds punishment for being a disenfranchised member of society.

Benefit Redesign:

 Unfortunately, the result of this provision means not including vision and dental benefits any longer in the basic health care of clients now on optional programs. In other words it should read "Benefit Rescinding".

SCHIP Reform

 We feel that the dubious gains from this source are miniscule when compared to the deep cuts made in basic health care services, for an indefinite period of time, to the already less fortunate members of our society. This part of the Waiver appears to be more for "window dressing" than for substance.

Unanswered Questions:

- Why wasn't the working draft of the proposed waiver provided?
- Are the current budget issues a camouflage for a drastically and permanently weakened program?
- Why wasn't the legislature deeply involved in these core policy issues as our constitution provides?
- Have you considered what the reaction would be if a 5 percent tax were levied on incomes in excess of \$100,000?

- Is there any language that provides for reinstatement of necessary programs when economic conditions improve?
- Are there any provisions to evaluate the effectiveness and ill effects of the waiver?

To balance a budget at the expense of the most needy is not only fiscally irresponsible and counter productive but is morally and ethically reprehensible as well.

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